Twenty-Eighth Annual Report

April 1, 1990 to March 31, 1991

Sessional Paper 123/92
3 Session, 22 Legislature

Alberta
RACING COMMISSION

Alberta

PUBLIC WORKS,
SUPPLY AND SERVICES

Minister responsible for
LOTTERIES, MAJOR EXHIBITIONS AND FAIRS
GAMING COMMISSION
RACING COMMISSION

Office of the Minister

132 Legislature Building
Edmonton, Alberta T5K 2B6
Telephone 403/427-3666
Fax 403/427-3649

A.R. #AL02882
File #362B

The Honourable David Carter
Office of the Speaker
Legislative Assembly of Alberta
325 Legislature Building
Edmonton, Alberta
T5K 2B6

Dear Sir:

I have the honour to submit the Annual Report of the Alberta Racing Commission for the year ending March 31, 1991.

Yours sincerely,

Ken Kowalski

Ken Kowalski
MINISTER

Printed On Recycled Paper

Alberta

ALBERTA RACING COMMISSION

403/297-6551

507 Sloane Square
5920 - 1A Street S.W.
Calgary, Alberta, Canada

Office of
the Chairman

Mailing Address:
Box 5684
Postal Station "A"
Calgary, Alberta
T2H 1Y2

The Honourable Ken Kowalski,
Public Works Supply and Services

Dear Sir:

I take pleasure in submitting the Commission's Annual Report for the year 1990 - 1991.

Respectfully submitted,

Roy A. Farran

Roy A. Farran,
Chairman

MEMBERS

OF THE

ALBERTA RACING COMMISSION

AT THE YEAR ENDED MARCH 31, 1991

Roy A. Farran	*Chairman*	*Calgary*
Donald J. Buchanan	*Vice Chairman*	*Edmonton*
Irven W. Parsons	*Commissioner*	*Calgary*
Kenneth C. Amthor	*Commissioner*	*Crossfield*
W. Gordon Pritchett	*Commisisoner*	*Edmonton*
Jack Sheckter	*Commissioner*	*Edmonton*
Dr. Brad Gunn	*Commissioner*	*Lloydminster*

92-04486/

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TWENTY-EIGHTH ANNUAL REPORT

OF THE

ALBERTA RACING COMMISSION

APRIL 1, 1990 --- MARCH 31, 1991

Alberta experienced the largest increase in provincial wager in Canada during the calendar year 1990. The increase from $184,651,674. to $210,547,623. was approximately 14 percent and represented a steady recovery from the recession years after 1982.

The substantial increase in volume in the face of fierce competition from other gaming modes with lower overhead was achieved by the use of modern technology to expand the market. This benefited live racing by the generation of more earned commissions which went towards enhanced purses. Most of the increment was achieved by simulcast via television of races from Calgary Stampede Park into Edmonton Northlands when that track was not racing live, particularly harness racing in winter. And conversely, it was also accomplished by the televising of races from Edmonton Northlands into Stampede Park on its dark days. The exact figures for the new business were $13,728,509 from harness simulcasts and $1,687,193 from thoroughbred simulcasts into Edmonton; plus $401,983 harness and $629,688 thoroughbred into Calgary.

Following upon a successful experiment at the Class "B" track known as Trout Springs near Calgary when Edmonton and Winnipeg races were broadcast there during November, 1989, Trout Springs was permitted to simulcast racing from Edmonton and Winnipeg during March, 1990. That small track during the remainder of the fiscal year to March, 1991 also televised 25 days of thoroughbred racing from Edmonton, Winnipeg and Los Alamitos and 16 days of harness racing from Edmonton and Winnipeg. These signals from Class "A" tracks helped Trout Springs, a small Class "B" track, to maintain live racing for quarterhorses and cheaper thoroughbreds despite a chronic shortage of entries.

The other technological boost to the Alberta wager for the calendar year 1990 came from the new mode of tele-theatre wagering in smaller rural centers. The federal amendment to the Criminal Code provided for a provincial licensing authority and the Lt. Governor by Order-In-Council appointed the Alberta Racing Commission to perform that duty. The method chosen was for the Class "A" tracks at Edmonton and Calgary to make application before local public hearings to operate a small betting room in hotels or restaurants -- the hotel establishment provided a dish and television monitors while the racetrack supplied parimutuel machines, hired local cashiers and financed dedicated telephone

lines to transmit data back to the parent computer.

This method of enlarging the racing market is more expensive, yielding less net revenue to horsemen for purses and less net commissions after cost to racetrack operators who are also denied parking, admission and concession revenue. At the theatre, that extra revenue accrues to the hotel operator. The Alberta Racing Commission also provided as a condition on the licence that a further half-of-one-percent be deducted in trust to supplement purses for live racing at small meets in rural Alberta. This policy tended to offset any deleterious effect on short live race meets at small racetracks as well as to return some of the earnings to the areas from which they were drawn outside the big cities. The first tele-theatre opened at Peace River after a public hearing on June 19 and the first in the southern half of the province opened in Brooks on September 9.

By year end a total of 15 theatres were in operation---- six by Stampede Park and nine by Edmonton Northlands.

While these two new modes of simulcast inter-track and tele-theatres substantially increased total handle, there was some indication during the year that there might eventually be a small percentage reduction in on-track attendance. It was too soon to be sure since a substantial increase in days of live racing was also a feature of 1990 --- partly in response to growth in lottery and casino competition and partly to supply the new theatres on a regular basis.

It was resolved at the annual meeting of the horse racing industry in October, to make 1991 an experimental year for the new initiatives, all reserving judgement until December, 1991. It was also decided to amalgamate the tele-theatre enterprises of Calgary and Edmonton under a single umbrella. It would thus be possible in 1991 to avoid the costs of two satellites. Thoroughbred racing would be telecast all over the province during six months of spring to fall and harness racing all winter. It was acknowledged that since only harness racing can be conducted in more severe weather conditions, there was a huge opportunity in the simulcasting of harness racing between tracks and to tele-theatres in winter when one Class "A" track would always be dark.

Horse racing is a labor-intensive adjunct to agriculture and, with some 6,000 licensees, even at present volumes it represents a major Alberta industry. In addition to figures showing licensed employees, there are innumerable unlicensed occupations in the industry from farmers growing feed and boarding horses to tradesmen such as farriers, truckers, veterinarians, concession employees and parimutuel clerks. Furthermore, it provides a year round use for the expensive capital structures erected by exhibitions to accommodate their

annual fairs and trade shows. The Alberta government has rebated a generous portion of the special tax of 5 percent it levies on horse racing. This rebate is designed to encourage the raising of Alberta-breds, a form of diversification of agriculture. Through this development fund of 3.88 percent of the wager, the Alberta Racing Commission after paying overhead for officials etc. finances breeder grants, bonuses for owners of winning Alberta-breds, sires stakes, special races for Alberta-breds and purse supplements, particularly at rural race meetings.

During fiscal 1990-91, the tax rebate of 4 percent of the wager was subjected to a 3 percent retrenchment cut by the Provincial Treasurer.

The average take-out from the wager at Class "A" tracks was 16.2 percent except on triactors where a further 0.6 percent was paid into a special promotion fund. Of that 16.2 percent, 5.8 percent went to taxes leaving 10.4 percent to be divided between horsemen for purses and the racetracks according to contract. Some 83.8 percent was therefore returned to winners among the racing public, one of the highest net returns in North America and far higher than comparative pay-outs in less labor-intensive gambling modes.

The volume increase in wagering at Alberta racetracks was also a reflection of a comparatively healthy economy in the province, particularly in Edmonton where the per capita wager is traditionally higher. Alberta also exported televised racing to Saskatchewan -- 12 days of thoroughbred racing on which a wager of $407,728 was recorded.

Running races on the flat grossed a wager of $101,701,948. compared with $108,845,675. for harness racing. Simulcast wagering accounted for $20,496,504. of the total wager or approximately 9.75 percent of the handle.

The Commission again revamped its incentive for aged quarterhorses whose numbers were still considered below potential.

The wager at Lethbridge Whoop-Up Downs was $1,834,864. on live racing in 1990 compared with $2,106,460. the year before. Calgary races were simulcast into Lethbridge for a total wager of $1,656,613.

Trout Springs had a wager of $995,640. plus simulcast of Class "A" races amounting to $4,049,131. Grande Prairie, a similar Class "B" track, generated $409,205. compared with $402,399. in 1989.

Rural summer fair meets included Hobbema, Medicine Hat, Millarville, Milo, Trochu and Vegreville for a total handle of #277,654.

The Commission held numerous special meetings in addition to regular monthly meetings on such subjects as appeals from decisions of the stewards, allocation of dates, disbursement of the Development Fund, tele-theatres, and rule changes. There were 8 hearings during 1990-91.

The Commission continued to finance its own urine testing for steroids, banned in the province in 1989. However, early in 1991, part of the fiscal year covered by this report, the federal government announced a Canada-wide prohibition on steroids. They declared their intention of assuming costs for urine testing during 1991.

The following disciplinary rulings were made by the stewards and judges:

THOROUGHBRED	1990	1989
Apprentice Jockey extension	1	
Jockeys, for riding infractions	40	58
Jockeys, for actions other than riding infractions	50	61
Jockeys and trainers, for unwarranted claim of foul	5	3
Licenses restored	3	1
Trainers, for entering an ineligible horse	2	8
Trainers, for medication requiring late scratch	7	12
Disciplinary fines for persons (other than jockeys)	59	42
Disciplinary suspensions for persons (other than jockeys)	3	7
Licenses denied or cancelled	13	10
Horses barred from competition	3	5
Positive tests - (trainers suspended and fined)	5	4

HARNESS	1990	1989
Drivers - Driving infractions during race	83	28
Drivers - Other than driving infractions	18	16
Trainers - Disciplinary fines	25	32
Trainers - for medication requiring late scratches	1	0
Disciplinary suspensions (other than Drivers-Trainers)	28	24
Disciplinary fines (other than Drivers-Trainers)	32	6
Licences restored	10	7
Positive Test (trainers suspended and fined)	9	4

Samples of urine and blood were taken from 8,746 horses of which 14 tested positive for a prohibited drug.

The 1990 thoroughbred sale in Edmonton sold 114 yearlings for an average of $8,791. compared to 115 in 1989 for an average of $6,444. At the mixed sale in Calgary the average price was $1,167 compared with $2,053 in 1989.

The Alberta Standardbred Horse Association Sale of yearlings yielded $220,850 for 93 head or an average of $2,374.

The top ten money earners among the Alberta-bred thoroughbreds were as follows:

MAJESTIC HORIZON	$250,409.
ARCTIC LAUR	136,878.
BRIARTIC ROMANCE	90,824.
POLES CANDY	70,417.
SHADY LASS	56,525.
JET BENT	55,034.
ARTIC DANGER	50,706.
ARTIC WOMAN	48,954.
KOOL DISCOVERY	47,989.
LUCKY LETTUCE	47,548.

MAJESTIC HORIZON was awarded three honors-horse of the year, best Alberta-bred and best three year old colt, while his owner George Ho Lem was named breeder of the year. A double award winner was ROLL ON BRIARTIC being voted sprinter of the year and aged horse champion. The two year old colt trophy was awarded to ARCTIC LAUR while the two year old BERRY ROAD was filly of the year. In the three year old filly voting SIMPLY SPECTACULAR came out on top while claimer of the year honors went to FAIR MARCH. The aged mare title was given to POLES CANDY. Awards for people in the business were as follows:

Leading trainer	Ron Brock
Leading rider	Chris McGregor
Leading apprentice rider	Steven Hill
Horsemen of the year	Fred Jones

The Alberta Derby and the Herald Gold Plate were won by MAJESTIC HORIZON while ARCTIC LAUR captured the Alberta Premier's Futurity, with BRIARTIC ROMANCE winning the Stampede Futurity.

The top ten thoroughbred breeders were as follows according to earnings of horses bred:

George Ho Lem	$250,409.
J. P. Shewchuk	224,159.
Alan Dand	218,623.
M. & L. Oslanski & Partners	205,297.
J. C. Stables & Partners	143,961.
Winsong Farm & Partners	139,472.
L. F. Wilson	133,185.
Roman Acres Stable	123,893.
T. V. Kitching	123,468.
A. V. Jones	104,989.

The Alberta Racing Commission in addition to breeder bonuses on a point system, paid purse supplements of 20% of earnings for horses finishing first, second and third in open races at Class "A" tracks for thoroughbreds. A new bonus for owners, breeders and stallion owners of Alberta-breds earning money in stakes races was introduced.

Award winning horses in Harness racing included the following:

Three year old filly Horse of the year	COUNTERFEIT CROWN
Best Alberta Bred	TYLERS ROYALTY
Best Aged Horse	ARTFUL HANOVER
Best Aged Mare	TINY CROMBIE
Best out-of-province	TOP NOTCHER
Claimer of the year	B. H. EVERGREEN
Two year old filly	JAVA
Two year old colt	SKY INDY
Three year old colt	ON TO ROYALTY

In winning the Nat Christie Memorial, COUNTERFEIT CROWN became the first filly to take the honors in the history of the race. The prestigious Stewart Fraser Memorial Stakes was won by TOP NOTCHER.

The top ten money earners in standardbred racing at Alberta tracks during 1990 were:

COUNTERFEIT CROWN	$191,697.
CORPORATE PRINCE	126,823.
*SKY HAGLER	100,835.
ARTFUL HANOVER	96,613.
*TYLER'S ROYALTY	94,507.
*BRETS DEB	79,760.
ATLAS HANOVER	72,918.
*ROYAL BANDIT	67,754.
RODS ROYALTY	66,436.
*FINANCE MINISTER	64,272.

* These horses are all Alberta Sired.

The award for Breeder of the Year went to Sky West Farms while Keith Clark was declared Horsemen of the Year, and Donna Sarin the Groom of the year.

The Standardbred Development Fund included 15 Sires Stakes, and a bonus of 22 percent for Alberta-breds coming first, second or third in open company.

Awards for 1990 in the Quarterhorse industry were as follows:

Champion Aged Horse } Champion Alberta Bred}	BAR HEMPS BUDDY
Champion Two year Old	LAICOS GOLD BAR
Champion Filly } Horse of the Year } Champion Three Year Old}	TIMES SNAZZY LADY
Champion Claimer } Champion Hook Horse}	SUNJETTA
Champion Distance Horse	BENNYS BUSHER
Sire of the Year	BAR HEMP

The leading trainer was William Leech, while Carl Hebert took home the title of leading jockey.

The Alberta Arabian Racing Association, comparative newcomers to the racing scene in Alberta, continue to grow in strength. The Arab champion was SUEADE, the top 3 year old filly was TRIPLE A AZTYNA and the top 3 year old colt was F.F. STRYKER. SCIRALA was the top money earner.

While the commission continues to act firmly in regard to illegal use of prohibited drugs on both humans and horses, the statistics show that the province has the cleanest records in this regard in the country. The policy of random testing of jockeys, drivers etc. with an emphasis on rehabilitation appears to be succeeding. In the first instance, jockeys and drivers are suspended until they provide a clean urine sample; for a second offence they must enrol in a part-time AADAC course; for a third offence they are suspended until they have satisfactorily completed a residential course. Only after a fourth offence is a long term suspension invoked.

Substantive changes to the Rules of Racing included a prohibition on drenching with mixtures of baking soda and sugar or camphor; and provision for the compulsory maintenance of insurance.

One apprentice jockey was subsidized to attend the Hawkeye Jockey School in the United States under a joint HBPA/ARC program.

Days raced with the previous year in brackets were 150 thoroughbred (146); 199 harness (199); fair circuit 16 (15); Class "B" circuit, Live and Simulcast 228 (113)

Respectfully submitted,

Chairman

Commissioner

Dated at the City of Calgary
in the Province of Alberta this
5th day of December A.D. 1991

Commissioner

Commissioner

Commissioner

Commissioner

Financial Statements

Alberta
RACING COMMISSION

Schedule "A"

PARI MUTUEL STATISTICS 1990 - 1989

THOROUGHBRED RACING ---- "A" CIRCUIT

	Racing Days		No. of Races		Attendance	
	1990	1989	1990	1989	1990	1989
CALGARY	74	70	740	714	264,446	240,702
EDMONTON	76	76	759	762	314,379	328,129
	150	146	1,499	1,476	578,825	568,831

	Amount Wagered		Alberta Government Tax	
	1990	1989	1990	1989
CALGARY				
Live	37,441,673	36,691,130		
Intertrack	629,688	..		
Teletheatre	1,531,745	..	1,980,155	1,834,557
	39,603,106	36,691,130		
EDMONTON				
Live	50,043,168	51,483,937		
Intertrack	1,687,193	..		
Teletheatre	4,172,283	..	2,795,132	2,574,197
	55,902,644	51,483,937		
	$95,505,750	$88,175,067	$4,775,287	$4,408,754

	Pari Mutuel Percentages and Breaks		Gross Prize Money	
	1990	1989	1990	1989
CALGARY	4,809,280	4,191,943	3,635,583	3,374,090
EDMONTON	6,389,311	5,830,460	4,020,150	3,823,191
	$11,198,591	$10,022,403	$7,655,733	$7,197,281

Schedule "B"

PARI MUTUEL STATISTICS 1990 - 1989

STANDARDBRED RACING ---- "A" CIRCUIT

	Racing Days		No. of Races		Attendance	
	1990	1989	1990	1989	1990	1989
CALGARY	100	100	1,000	1,001	232,519	234,187
EDMONTON	99	99	995	997	327,450	288,624
	199	199	1,995	1,998	559,969	522,811

	Amount Wagered		Alberta Government Tax	
	1990	1989	1990	1989
CALGARY				
Live	34,124,744	36,560,496		
Intertrack	401,983	..		
Teletheatre	397,586	..	1,746,216	1,828,025
	34,924,313	36,560,496		
EDMONTON				
Live	51,722,742	54,053,589		
Intertrack	13,728,509	..		
Teletheatre	5,443,202	..	3,544,723	2,702,679
	70,894,453	54,053,589		
	$105,818,766	$90,614,085	$5,290,939	$4,530,704

	Pari Mutuel Percentages and Breaks		Gross Prize Money	
	1990	1989	1990	1989
CALGARY	4,169,855	4,264,935	3,669,489	3,521,736
EDMONTON	8,123,232	6,196,783	4,670,052	4,534,661
	$ 12,293,087	$10,461,718	$8,339,541	$8,056,397

PARI MUTUEL STATISTICS 1990 - 1989
COMMUNITY RACING - "B" CIRCUIT
Thoroughbred, Harness, Quarter Horse, Arabian

	Racing Days		No of Races		Attendance	
	1990	1989	1990	1989	1990	1989
ENOCH	..	17	--	153	..	5,754
GRANDE PRAIRIE	16	16	154	146	7,932	7,592
LETHBRIDGE						
Live	36	39	330	341	(	
Simulcast	90	..			(26,214	40,525
TROUT SPRINGS						
Live	24	24	183	197	(	
Simulcast	62	17			(33,050	16,473
	228	113	667	837	67,196	70,344

	Amount Wagered		Pari Mutuel Tax	
	1990	1989	1990	1989
ENOCH	..	675,838	..	33,792
GRANDE PRAIRIE	409,205	402,399	20,460	20,120
LETHBRIDGE				
Live	1,834,864 *	2,106,460	91,743	105,323
Simulcast	1,656,613 **	..	82,831	..
TROUT SPRINGS				
Live	995,640 *	1,590,191	49,782	79,510
Simulcast	4,049,131 **	728,955	202,457	36,447
	$8,945,453	$5,503,843	$447,273	$275,192

* note: Lethbridge/Trout Springs Live ..... Thoroughbred $2,722,752
Harness $ 107,752

** note: Lethbridge/Trout Springs Simulcast. Thoroughbred $2,786,587
Harness $2,919,157

	Pari Mutuel Percentages and Breaks		Gross Prize Money	
	1990	1989	1990	1989
ENOCH	..	106,716	..	168,959
GRANDE PRAIRIE	63,613	62,610	191,951	158,945
LETHBRIDGE	292,897	332,078	316,525	327,688
TROUT SPRINGS	804,434	371,453	197,302	185,247
	$1,160,944	$872,857	$705,778	$840,839

	Development Grant and Purse Support	
	1990	1989
ENOCH	..	48,174
GRANDE PRAIRIE	53,740	40,920
LETHBRIDGE	121,320	128,991
TROUT SPRINGS	97,760	75,295
	$272,820	$293,380

PARI MUTUEL STATISTICS 1990 - 1989
COMMUNITY RACING - "C" CIRCUIT
Thoroughbred, Quarter Horse, Arabian

	Racing Days		No of Races		Attendance	
	1990	1989	1990	1989	1990	1989
CORONATION	..	1	..	10	..	275
HOBBEMA	4	..	30	..	650	..
MEDICINE HAT	3	2	25	18	1,411	1,451
MILLARVILLE	2	2	19	18	4,528	4,876
MILO	2	2	17	16	1,601	818
RED DEER	..	3	..	25	..	870
TROCHU	2	2	16	16	624	510
VEGREVILLE	3	3	22	20	1,782	655
	16	15	129	123	10,596	9,455

	Amount Wagered		Pari Mutuel Tax	
	1990	1989	1990	1989
CORONATION	..	21,068	..	1,053
HOBBEMA	21,268	..	1,063	..
MEDICINE HAT	64,119	65,473	3,206	3,274
MILLARVILLE	109,508	109,577	5,475	5,479
MILO	33,409	37,676	1,670	1,884
RED DEER	..	75,793	..	3,790
TROCHU	24,196	24,690	1,210	1.235
VEGREVILLE	25,154	24,403	1,258	1,220
	$277,654	$358,680	$13,882	$17,935

	Pari Mutuel Percentages and Breaks		Gross Prize Money	
	1990	1989	1990	1989
CORONATION	..	3,294	..	9,320
HOBBEMA	3,302	..	19,540	..
MEDICINE HAT	9,923	10,146	19,820	14,245
MILLARVILLE	17,159	17,118	15,900	15,065
MILO	5,215	5,879	10,757	10,490
RED DEER	..	11,703	..	16,360
TROCHU	3,810	3,842	10,460	10,625
VEGREVILLE	3,932	3,809	17,772	14,755
	$43,341	$55,791	$94,249	$90,860

	Development Grant and Purse Support	
	1990	1989
CORONATION	..	2,382
HOBBEMA	10,765	..
MEDICINE HAT	8,100	5,768
MILLARVILLE	5,400	7,664
MILO	5,250	4,572
RED DEER	..	7,688
TROCHU	5,400	4,011
VEGREVILLE	8,000	5,477
	$42,915	$37,562

ALBERTA RACING COMMISSION

DEVELOPMENT FUND FOR THE YEAR ENDED MARCH 31, 1991

"Unaudited"

EXPENDITURE			
For promotions and general support			$ 4,544.15
For equine research			
Western College of Veterinary Medicine			23,000.00
For tattooing			
Thoroughbred		$ 14,400.00	
Standardbred		6,090.00	
Community		4,425.00	24,915.00
For community support			
Operating grants			
Canada West Turf Association		47,619.00	
Lethbridge & District Exhibition		43,200.00	
Communities		70,800.00	
		161,619.00	
Purse supplements			
Lethbridge & District Exhibition		78,120.00	
Communities		129,615.00	
		207,735.00	369,354.00
For development of THOROUGHBRED industry			
Stakes race purses			
Wild Rose	7,000.00		
Beaufort	17,000.00		
Parkdale	3,500.00		
Breeders	3,500.00		
Alberta Oaks	8,500.00		
Sturgeon River	13,500.00		
Sales Stake	50,000.00		
Claiming stakes	6,000.00	109,000.00	
Horsemen's Benevolent & Protective Association		29,836.00	
Alberta Division - Canadian Thoroughbred Horse Society		45,000.00	
Breeders of Alberta-breds		291,190.02	
Owners of Alberta-breds		625,720.00	
Owners, Breeders, Stallion Owners of Alberta-breds		192,620.00	
General purse support		1,745,430.00	
			3,038,796.02

the above mentioned categories pertain to horses racing on "A" circuit tracks

For development of STANDARDBRED industry

Stakes race purses			
Sales Stake	100,000.00		
Debutante	25,000.00		
Sherwood Park	75,560.00		
Harvest Gold	47,320.00		
Poinsettia	81,970.00		
Virginia Park	27,130.00		
Strathcona	70,840.00		
Yellowhead	27,130.00		
Petticoat Pace	47,320.00		
Black Gold	81,970.00		
Gold Pan	81,950.00		
Alberta Rose	43,530.00		
Calgary Lady	41,700.00		
Lt. Governor	43,510.00		
Edmonton Lassie	41,700.00	836,630.00	
Alberta Standardbred Horse Association		104,241.00	
Owners of Alberta-breds		480,500.00	
Breeders of Alberta-breds - earners in specified races		175,000.28	
Owners of Stallions siring earners in specified races		68,480.00	
General purse support		1,182,282.00	2,847,133.28
the above mentioned categories pertain to horses racing on "A" circuit tracks			
			$6,307,742.45

ALBERTA RACING COMMISSION

FINANCIAL STATEMENTS

MARCH 31, 1991

Auditor's Report

Balance Sheet

Statement of Revenue Surplus

Statement of Revenue and Expenditure - Operations

Statement of Revenue and Expenditure - Development

Notes to the Financial Statements

OFFICE OF THE AUDITOR GENERAL

ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

AUDITOR'S REPORT

To the Members of the
Alberta Racing Commission

I have audited the balance sheet of the Alberta Racing Commission as at March 31, 1991 and the statements of revenue surplus, revenue and expenditure - operations and revenue and expenditure - development for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting as described in Note 2 to the financial statements.

Donald D. Salmon
FCA
Auditor General

Edmonton, Alberta
August 9, 1991

ALBERTA RACING COMMISSION

BALANCE SHEET

AS AT MARCH 31, 1991

	1991	1990
ASSETS		
Current:		
Cash	$ 895,461	$647,744
Accounts receivable	120,355	7,643
Prepaid expenses	15,692	66,873
	1,031,508	722,260
Capital:		
Equipment, at cost	56,480	58,336
	$1,087,988	$780,596
LIABILITIES AND EQUITY		
Current:		
Accounts payable	$ 208,006	$197,133
Other:		
Standardbred Sires Stakes Registration	24,885	25,089
Equity:		
Reserves (Note 3)	714,653	345,573
Capital surplus	56,480	58,336
Revenue surplus	83,964	154,465
	855,097	558,374
	$1,087,988	$780,596

The accompanying notes are part
of these financial statements.

ALBERTA RACING COMMISSION

STATEMENT OF REVENUE SURPLUS

FOR THE YEAR ENDED MARCH 31, 1991

	1991	1990
Revenue surplus (deficit) at beginning of year	$ 154,465	$(118,770)
Excess of revenue over expenditure for the year - development	298,579	273,235
Transfers to reserves	(369,080)	-
Revenue surplus at end of year	$ 83,964	$ 154,465

ALBERTA RACING COMMISSION

STATEMENT OF REVENUE AND EXPENDITURE - OPERATIONS

FOR THE YEAR ENDED MARCH 31, 1991

	1991	1990
Revenue:		
Contribution by the Province of Alberta	$ 768,512	$ 686,444
Assessments, licenses and fines	352,631	345,158
Interest	222,385	187,081
Miscellaneous	2,059	1,076
	1,345,587	1,219,759
Expenditure:		
Administrative salaries	324,833	276,084
Veterinarians' fees	192,876	188,389
Judges' fees	154,537	157,270
Commissioners' honoraria	148,042	138,661
Stewards' fees	134,032	133,724
Travelling	122,943	114,078
Employee benefits	75,819	61,301
Hearings and appeals	43,371	26,994
Steroid testing program	41,090	33,026
Office	40,927	42,241
Licensee identification equipment and supplies	14,361	15,198
Seminars and conferences	12,169	-
Memberships and subscriptions	10,426	7,737
Lunches and entertainment	7,798	7,596
Human toxicology	6,306	7,196
Security services, equipment and supplies	3,977	4,064
Trophies	3,700	1,627
Non-recoverable fine	3,260	-
Insurance	1,571	1,597
Legal fees	1,413	1,157
Miscellaneous	2,136	1,819
	1,345,587	1,219,759
	$ -	$ -

ALBERTA RACING COMMISSION

STATEMENT OF REVENUE AND EXPENDITURE - DEVELOPMENT

FOR THE YEAR ENDED MARCH 31, 1991

	1991	1990
Revenue:		
Contribution by the Province of Alberta	$6,395,973	$6,389,425
Rural racing levy	210,348	-
	6,606,321	6,389,425
Expenditure:		
Standardbred support:		
Grants	104,241	66,241
Breeders of Alberta breds bonus	243,480	51,475
Owners of Alberta breds premium	480,500	886,896
Purse supplements	2,018,912	1,737,540
	2,847,133	2,742,152
Thoroughbred support:		
Grants	74,836	74,836
Breeders of Alberta breds bonus	483,810	502,138
Owners of Alberta breds premium	625,720	643,536
Purse supplements	1,854,430	1,713,482
	3,038,796	2,933,992
Community support:		
Grants	161,619	195,587
Purse supplement	207,735	187,974
	369,354	383,561
Equine research	23,000	23,151
Tattooing	24,915	24,365
Promotions	800	7,330
Other	3,744	1,639
	52,459	56,485
	6,307,742	6,116,190
Excess of revenue over expenditure	$ 298,579	$ 273,235

ALBERTA RACING COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 1991

Note 1 Authority

The Alberta Racing Commission operates under the authority of the Racing Commission Act, Chapter R-1, Revised Statutes of Alberta 1980.

Note 2 Significant Accounting Policies and Reporting Practices

General

These financial statements have been prepared in accordance with generally accepted accounting principles except that no amortization has been provided on capital assets as purchases are charged to operations in the year of acquisition. Capital assets are shown on the balance sheet at original cost with the offsetting credit to capital surplus.

Contributions by the Province of Alberta

The Commission receives contributions from a supply vote of the Department of Solicitor General of the Province of Alberta based on the Alberta pari-mutuel tax. Contributions are allocated firstly to operations and thereafter to development.

Changes in Financial Position

A statement of changes in financial position is not provided as disclosure in these financial statements is considered to be adequate.

Note 3 Reserves

Reserves created by appropriations from revenue surplus comprise:

Revenue stabilization	$300,000
Thoroughbred and harness support	115,018
Community support	299,635
	$714,653
1990	$345,573

Note 3 Reserves (continued)

(a) The revenue stabilization reserve was created pursuant to a Ministerial Order dated December 16, 1976 to compensate for sudden changes in economic conditions or other factors which might affect substantially the income and expenditure of the Commission.

(b) The thoroughbred and harness support reserve and the community support reserve were created for general purse support based on the share of the provincial tax rebate and the levy for rural racing attributed to each breed during the previous calendar year.

Note 4 Administration Expenses

Operations expenditure does not include the cost of certain office accommodation and office furniture which is borne by the Province of Alberta.

Note 5 Approval of Financial Statements

These financial statements were approved by management.